

March 25, 2004

Opening Statement by Congressman Paul E. Gillmor  
House Financial Services Committee  
Full Committee Hearing to receive Annual Testimony of the Treasury on the State of the  
International Financial System

Thank you, Mr. Chairman, for holding this important hearing and Mr. Secretary for making yourself available to us this morning.

I look forward to hearing your report on the progress of important reforms within the International Monetary Fund (IMF) and specifically its program for evaluating the performance of nations receiving IMF assistance.

As an original cosponsor of H.Res.414, legislation that passed the House on October 29, 2003, encouraging the People's Republic of China to fulfill its commitments under international trade agreements and establish monetary and financial market reforms; I am also very interested to hear your comments on Treasury's negotiations with Chinese officials regarding their current exchange rate policies.

I am also an original cosponsor of H.R. 3058, the Currency Harmonization Initiative through Neutralizing Action Act of 2003; calling for a Treasury Department investigation into Chinese currency manipulation and the imposition of equivalent tariffs on Chinese products should an affirmative determination of manipulation be made.

I am encouraged by the Treasury Department's establishment of a special attaché in the U.S. Embassy in China and the involvement of your technical assistance team in advising the Chinese on exchange rate flexibility, but manufacturers in my district need to see concrete results.

Thank you again, Mr. Secretary, for coming before us today and I look forward to a very informative session.